

**OPEN LETTER**  
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29 Mar 2024

Mr Pierluigi Di Palma  
President  
ENAC

Viale Castro Pretorio  
118 – 00185, Roma

Sent by email: [p.dipalma@enac.gov.it](mailto:p.dipalma@enac.gov.it) ; [segreteria.presidente@enac.gov.it](mailto:segreteria.presidente@enac.gov.it)

Dear Mr Di Palma,

I read your statements in today's "Il Messaggero" (copy attached) with astonishment. Your false claims that "low cost airlines practically no longer exist" or that low fares "will never be there again" add more falsehoods to the long list of wrong and stupid claims you've previously made about air travel in Italy.

Over the last year, you have been quoted in the Italian newspapers falsely claiming that (1) there is an "oligopoly" in Italian aviation, (2) that there was €1,000 air tickets for flights to Sicily, (3) making false claims about non-existent "algorithms" and (4) that airlines were using passengers mobile phones to vary air fares. Now you are making more false claims about there being "no low fares" in Italy when Ryanair is selling over 12m seats in S24 at one way fares of €29.99 or less. Low fares have never been more widely available in Italy.

It would require very little education on your part to understand that there is no "oligopoly" in Italy. An "oligopoly" is a market structure where a small amount of producers work together to restrict output and/or fix prices, so they can achieve above normal market returns. No such oligopoly exists in Italy. We also reject your false claim in today's newspaper that Ryanair controls 51% of the Italian market, when our market share is under 40%. Your silly claim that "low fares will never be there again" is astonishing in a market when during the Summer 2024 schedule, Ryanair will offer over 29m million seats to/from and within Italy, but 40% of these seats (over 12 million) are on sale, at prices of €29.99 one way or less. 50% or over 15m seats are on sale at fares of €39.99 or less. Given the widespread availability of 12m Ryanair seats at low fares of €29.99 or less, we expect you to withdraw your false claims, and correct your inexplicable stupidity.

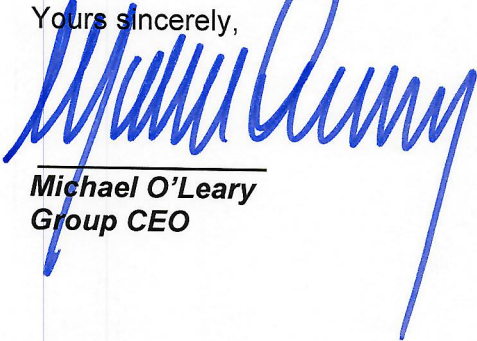
<b>Ryanair Low Fare Seats in Italy: S24</b>			
	<b>TOT Seats</b>	<b>Seats &lt; €29.99</b>	<b>Seats &lt; €39.99</b>
Apr	2m	0.6m	0.8m
May	3m	1.1m	1.6m
Jun	4m	1.8m	2.2m
Jul	5m	2.2m	2.5m
Aug	5m	2.0m	2.5m
Sept	5m	2.0m	2.6m
Oct	5m	2.5m	2.8m
TOT	29m	12.2m	15m

As President of ENAC, your statements have repeatedly demonstrated your ignorance of the airline market in Italy. You continue to mislead the Italian Government and the public about intense airline competition and the availability of low fares in Italy, and so we believe you should resign, and allow somebody competent to run ENAC.

If you are not willing to step down, then please at least confirm that you will stop making false or stupid claims about Ryanair's widely available low fares, about our market share, or false claims about an oligopoly in Italy, when no such oligopoly exists.

We are sending you by separate cover a book "*Economics for Dummies*", so that you can quickly learn what an oligopoly is, and how an oligopoly works, since you clearly don't know, which is why you make these false claims with great ignorance about the air travel market in Italy. You have offered no useful service as President of ENAC, so please do something useful for Italian aviation – step down and let somebody competent Chair ENAC.

Yours sincerely,



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**Michael O'Leary**  
Group CEO

## Off-Season Flights Reach 170 Euros And Low-Cost Tickets No Longer Exist

Goodbye, or almost, to low-cost flights. Airline ticket prices skyrocket not only at Easter or between April 25th and May 1st, but also out of season and in the middle of the week. Between April and June, without holidays or weekdays, according to the findings made for Il Messaggero by Federconsumatori and Assoutenti, flying from Rome and Milan to the European capitals or Southern Italy with the various Ryanair, Vueling and Wizz Air costs up to 170 euros between going and returning.

With a curious peak: without easyJet direct flights in Spain, for the Rome-Madrid route, with a stopover in London, you pay 450 euros. Despite the decline in operating costs and fuel prices (up to 45% lower in some periods of 2023 compared to 2022), with stocks purchased at high costs now exhausted, ticket prices do not fall, or at all. And there is no longer any trace of the old offers at 9.99 euros each way that were available before the pandemic. Now we start from at least 30 euros and at that price the destinations are almost always the same (mostly Albania, Croatia, Malta and, in some cases, Spain, Puglia and Sicily).

### THE MOST EXPENSIVE ROUTES

Between Easter, April 25th and May 1st, except for a few cases, there are increases or at least still very high prices, also driven by the algorithms for determining costs depending on where, how and when you book. On the first holiday, in particular, among all the companies (including Ita Airways), you end up paying 200-300 euros for a ticket. Costs are on average 139% higher to go from Rome to Brindisi and 93% higher to fly from Milan to Catania. Looking then at flights to European capitals out of season, from 18 to 21 April traveling from Rome to Paris return with Ryanair costs 150 euros.

The Milan-Madrid route (one way) costs 67 euros on May 5th with WizzAir, while the Milan-Berlin one way flight with Ryanair on May 12th it reaches 142 euros. Also removing Saturdays and Sundays, we find that from 20 to 23 May (Monday-Thursday) the Milan-London return trip with low-cost airlines costs on average 164 euros. Rome-Berlin instead reaches 171. And again: from 10 to 13 June (again Monday-Thursday) the Rome-Paris route costs 114 euros on average. And to think that throughout 2022, holidays and weekends included, but also with inflation and skyrocketing fuel prices, the average ticket price for international flights was 118 euros, rising to 146 in 2023. It's not any better for the national flights: from 20 to 23 May Milan-Palermo round trip with low-cost airlines costs on average 84 euros, while from 10 to 13 June for the Milan-Cagliari route it costs 115 euros. Once again in line with or even above the average for domestic flights for the whole of 2022 (89 euros) or 2023 (110 euros).

### THE CAUSES

"it is clear - the president of the National Civil Aviation Authority, Pierluigi Di Palma, explains to Il Messaggero - those low-cost airlines practically no longer exist - those offers that were available before Covid were flirtatious prices to attract customers and they will never be there again. Now there are companies like Ryanair that control 51% of the Italian market, therefore large entities, and some oligopoly-like situations. And in a context of little supply and more demand, prices rise."

The air transport market in Italy recorded approximately 163 million passengers in 2023, a historical record. However, the low-cost companies point out that after the losses and redundancies due to Covid, the two major aircraft manufacturers have had some problems with some of their main models (from the engines of the Airbus A320 to the doors of the Boeing 737 Max9), reducing the offer (-5% on 2019). And the price of fuel (which accounts for 35-40% of total costs) is still 50% higher than in 2019. Finally, municipal surcharges for passenger boarding have increased.

The latest profits of some "low cost" companies, however, are important: Ryanair closed the 2022-2023 financial year with a profit of 1.31 billion and expects another 1.95 billion in profit this year. The Covid losses are therefore more than made up for, yet the first discounts on tickets arrived only after some booking platforms excluded the company's flights. Wizz Air is also making a clear recovery: profits of 350-450 million are estimated for the financial year that ends at the end of the month. While Vueling's operating margin in 2023 was 12.4% (against 9.8% in 2019). «More than asking that low-cost airlines lower prices, however - reasons Di Palma - we need to review the European competition model on flights, which hasn't worked entirely: a check is needed, with new rules in the EU of maximum range for fares.

"Present for di Palma"

